

PUBLIC DISCLOSURE

JUNE 21, 2006

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

PRESSERS UNION LOCAL 12 ILGWU CREDIT UNION

**33 HARRISON AVENUE
BOSTON, MA 02111**

**DIVISION OF BANKS
ONE SOUTH STATION
BOSTON, MA 02110**

<p>NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Division of Banks concerning the safety and soundness of this financial institution.</p>
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GENERAL INFORMATION

The Community Reinvestment Act ("CRA") requires the Massachusetts Division of Banks ("Division") to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the needs of its entire assessment area, including low and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the Division must prepare a written evaluation of the institution's record of meeting the credit needs of its assessment area.

This document is an evaluation of the CRA performance of **PRESSERS UNION LOCAL 12 ILGWU CREDIT UNION (or the "Credit Union")** prepared by the Division, the institution's supervisory agency, as of **June 21, 2006**. The Division rates the CRA performance of an institution consistent with the provisions set forth in 209 CMR 46.00.

INSTITUTION'S CRA RATING: This institution is rated "Satisfactory"

The Credit Union is an industrial credit union. Therefore it defines its assessment area as its members. The overall rating is derived from the evaluation of three performance criteria of the small institution examination procedures for industrial credit unions: Loan-to-Share Ratio, Lending to Borrowers of Different Incomes and Fair Lending.

The Credit Union's average net loan-to-share ratio for the period of June 30, 2004 to March 31, 2006 was 44.3 percent and meets the standards for satisfactory performance.

The Credit Union's distribution of credit among different income levels is considered reasonable.

In addition, the Credit Union's fair lending performance was found to be satisfactory at the time of the examination and no CRA complaints were received since the previous examination.

PERFORMANCE CONTEXT

Description of Institution

Pressers Union Local 12 ILGWU Credit Union is an industrial credit union chartered by the Commonwealth of Massachusetts in 1953. As of May 31, 2006, the Credit Union had 50 members. As of March 31, 2006, the Credit Union had assets of approximately \$90,510 with loans comprising 48.7 percent of all assets, or a total of approximately \$44,071. The Credit Union is a consumer lender with 100% of its loan portfolio representing unsecured loans.

The following chart illustrates the composition of the loan portfolio.

Loan Distribution as of June 30, 2005		
Loan Type	Dollar Amount \$	Percent (%)
Unsecured Loans	47,071	100.0
Less: Allowance for Loan & Lease Losses	(3,000)	0.0
TOTAL	44,071	100.0

Source: Report of Condition 6/30/05

Services are considered convenient and accessible to all members. Hours of operation are Monday 1:00pm-5:00pm and by appointment. The Credit Union operates one banking office located at 33 Harrison Avenue in Boston, Massachusetts. The Credit Union offers share accounts.

The Credit Union was last examined for compliance with the CRA by the Division on January 9, 2001. The Credit Union's CRA performance was rated "Satisfactory" at that time.

Description of Assessment Area

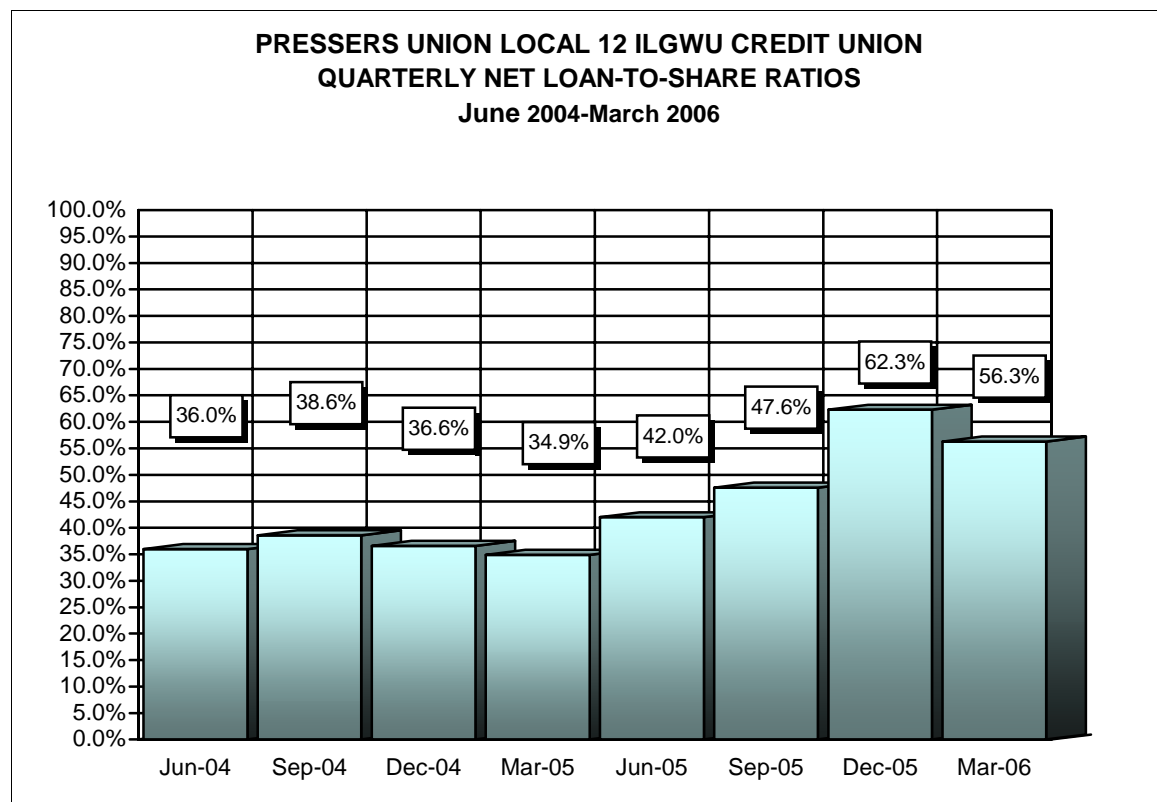
The Credit Union defines its assessment area as its membership, in accordance with the Massachusetts CRA regulation 209 CMR 46.41(8), which states: "Notwithstanding the requirements of this section, a credit union whose membership by-law provisions are not based on residence may delineate its membership as its assessment area." The Credit Union has elected to identify its assessment area in this manner.

The Credit Union's membership (as incorporated in its by-laws) is open to all members of the Local 12 International Lady Garment Workers and the Union of Needletrades, Industrial, and Textile Employees (U.N.I.T.E.) and the extended families of these members.

PERFORMANCE CRITERIA

Based upon the Credit Union's asset size, its capacity to lend, and the credit needs of its members, the Credit Union's net loan-to-share ratio indicates that the Credit Union meets the standards of satisfactory performance.

An analysis of the Credit Union's net loan-to-share (LTS) ratios was performed using National Credit Union Administration ("NCUA") quarterly call reports from June 30, 2004, through March 31, 2006. This analysis was conducted to determine the proportion of the Credit Union's share deposits that are used for lending. The ratios during this time period ranged from a low of 34.9 percent in March 2005 to a high of 62.3 percent in December 2005. The average net LTS ratio for the period was 44.3 percent. The following graph illustrates the net LTS detail for the period reviewed:



2. COMPARISON OF CREDIT EXTENDED INSIDE AND OUTSIDE OF THE ASSESSMENT AREA(S)

An assessment area defined as membership does not consider any fixed limits on geography. Therefore, an evaluation of credit extended inside and outside of the assessment area was not conducted.

PERFORMANCE CRITERIA (CONTINUED)

3. LENDING TO BORROWERS OF DIFFERENT INCOMES

The Credit Union originated 8 loans during 2004 totaling \$40,000 and 8 loans in 2005 totaling \$26,000. Originations consisted of unsecured personal loans. All 16 consumer loans from 2004 and 2005 were reviewed in order to determine the distribution of credit based on the income designation of the member. All of the consumer loans sampled were evaluated by using the income figures for the Cambridge-Newton-Framingham, MA Metropolitan Division ("MD") for 2004 and 2005. The originations were categorized by the ratio of the applicant's reported income to the estimated 2004 and 2005 median family incomes. The median family income to the MD was \$88,600 for 2004 and \$89,350 for 2005 based on estimated Department of Housing and Urban Development ("HUD") information.

Low income is defined by the US Census Bureau as income below 50 percent of the median family income level for the Metropolitan Statistical Area ("MSA"). Moderate income is defined as income between 50 and 79 percent of the median family income level for the MSA. Middle income is defined as income between 80 and 119 percent of the median income. Upper income is defined as income equal to or greater than 120 percent of the median income.

A sample of the consumer loans reviewed indicated that 47.3 percent of the loans were to low-income members and 25 percent were to moderate-income members. The following table provides further detail.

Consumer Lending to Borrowers of Different Income Levels

% OF MEDIAN MSA INCOME	2004		2005		TOTAL	
	#	%	#	%	#	%
<50%	3	38.0	4	50.0	7	43.7
50% - 79%	2	25.0	2	25.0	4	25.0
80% - 119%	2	25.0	1	12.5	3	18.8
120% >	1	12.0	1	12.5	2	12.5
TOTAL	8	100.0	8	100.0	16	100.0

Source: In House Loan Files – 2004 and 2005.

Based upon the analysis of consumer loans by borrower income, it appears that the Credit Union's lending is adequately distributed to members of various income levels, including those of low and moderate-income. Therefore, performance in this category is considered to meet the standards for satisfactory performance.

PERFORMANCE CRITERIA (CONTINUED)

4. GEOGRAPHIC DISTRIBUTION OF LOANS

As Pressers Union Local 12 ILGWU Credit Union has defined its assessment area as its membership, as opposed to the geographic area, an evaluation of credit extended within defined geographic areas was not conducted.

5. REVIEW OF COMPLAINTS/ FAIR LENDING POLICIES AND PRACTICES

Based upon the review of the Credit Union's public comment file and its performance relative to fair lending policies and practices the institution meets the standards for satisfactory performance.

The Credit Union's fair lending data was reviewed to determine how it relates to the guidelines established by Regulatory Bulletin 2.3-101, the Division's Community Reinvestment Act and Fair Lending guidelines. A review of the public comment file revealed that the Credit Union received no complaints pertaining to the institution's CRA performance since the previous examination. No practices that would result in disparate treatment were noted during the review. The Credit Union has not denied any loans to its members since the previous examination.

The Credit Union's staff is comprised of three part-time employees.

The Credit Union's credit committee reviews all loans. The credit committee is comprised of five members, all of whom are directors.

PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, and the Uniform Interagency Community Reinvestment Act (CRA) Guidelines for Disclosure of Written Evaluations require all financial institutions to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

- 1) Make its most current CRA performance evaluation available to the public;
- 2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each assessment area;
- 3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks, at (33 Harrison Avenue, Boston, MA 02111)."

[Please Note: If the institution has more than one assessment area, each office (other than off-premises electronic deposit facilities) in that assessment area shall also include the address of the designated office for that assessment area.]

- 4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee which does not exceed the cost of reproduction and mailing (if applicable).

The format and content of the institution's evaluation, as prepared by its supervisory agency, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.